

# 2011 Property Tax Report

## Jackson County

### with Comparisons to Prior Years



Legislative Services Agency

September 2011

This report describes property tax changes in Jackson County between 2010 and 2011, with comparison to changes since 2007. In 2011, the changes from the big tax reform of 2008 were fully phased in with the elimination of the last of the state homestead credits. The 2009 recession affected assessments and local tax credits in many counties. Changes in local levies and assessments also were important in many counties.

#### Comparable Homestead Property Tax Changes in Jackson County

	2010 to 2011		2007 to 2011	
	Number of Homesteads	% Share of Total	Number of Homesteads	% Share of Total
<b>Summary Change in Tax Bill</b>				
Higher Tax Bill	8,051	84.7%	316	3.3%
No Change	271	2.9%	32	0.3%
Lower Tax Bill	1,183	12.4%	9,157	96.3%
<b>Average Change in Tax Bill</b>	<b>15.5%</b>		<b>-31.8%</b>	
<b>Detailed Change in Tax Bill</b>				
20% or More	3,597	37.8%	161	1.7%
10% to 19%	2,029	21.3%	51	0.5%
1% to 9%	2,425	25.5%	104	1.1%
0%	271	2.9%	32	0.3%
-1% to -9%	608	6.4%	427	4.5%
-10% to -19%	225	2.4%	1,167	12.3%
-20% to -29%	89	0.9%	2,107	22.2%
-30% to -39%	117	1.2%	1,945	20.5%
-40% to -49%	46	0.5%	1,624	17.1%
-50% to -59%	22	0.2%	688	7.2%
-60% to -69%	17	0.2%	309	3.3%
-70% to -79%	12	0.1%	259	2.7%
-80% to -89%	9	0.1%	249	2.6%
-90% to -99%	9	0.1%	144	1.5%
-100%	29	0.3%	238	2.5%
<b>Total</b>	<b>9,505</b>	<b>100.0%</b>	<b>9,505</b>	<b>100.0%</b>

Note: Percentages may not total due to rounding.

★★★★★  
*HIGHER TAX RATES, THE LOSS  
 OF THE STATE HOMESTEAD  
 CREDIT AND LOWER LOCAL  
 HOMESTEAD CREDITS RAISE  
 HOMEOWNER TAX BILLS*  
 ★★★★★

#### Homestead Property Taxes

Homestead property taxes increased 15.5% on average in Jackson County in 2011. This was much more than the state average of 4.4%. Jackson County homestead taxes were still 31.8% lower in 2011 than they were in 2007, before the big tax reform. The larger-than-average homestead tax increase in 2011 was partly due to the phaseout of the state homestead credit in 2011. The state homestead credit was 4.3% in Jackson County in 2010. In addition, Jackson County's local homestead credit declined in 2011, due to a drop in the local income tax revenues that fund it. Increased tax rates also contributed to the large homestead tax bill increase.

#### Tax Rates

Property tax rates increased in almost all of Jackson County tax districts. The average tax rate increased by 6.3% because of an increase in the levy coupled with a decline in net assessed value. Levies in Jackson County increased by 4.9%. The biggest levy increases were in the county general, EMS, and bond funds, the Seymour general, debt service, and highway funds, the Medora Community Schools debt service, capital projects, and bus replacement funds, and the Crothersville Community Schools pension debt and capital projects funds. Crothersville Schools also reduced their bus replacement levy. Jackson County's total net assessed value decreased 1.9% in 2011. (The certified net AV used to compute tax rates declined by 1.3%.) Homestead and agricultural net assessments decreased by 1.9% and 0.5%, respectively. Other residential assessments showed a small decrease of 0.4%, while business net assessments decreased by 2.7%.

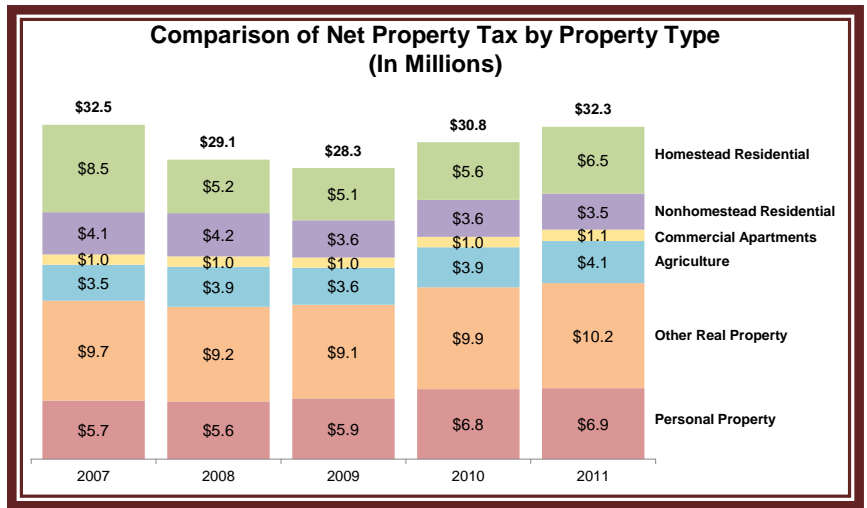
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**TAX BILL INCREASES FOR MOST TYPES OF  
NONHOMESTEAD PROPERTY**

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**Net Tax Bill Changes - All Property Types**

Net tax bills for all taxpayers rose 5.3% in Jackson County in 2011, higher than the statewide increase of 2.8%. Other residential property, which includes smaller rentals and second homes, saw net tax bills decrease by 1.5%. Tax bills for commercial apartments increased 5.1%. Business tax bills - which include commercial, industrial and utility buildings, land and equipment - increased 2.5%. These tax bill increases reflect the higher tax rates in Jackson County. Agricultural tax bills rose 5.7%. This was due to higher rates and to the 3.2% increase in the base rate assessment of farm land, from \$1,250 to \$1,290 per acre for taxes in 2011.



**Tax Cap Credits**

Property taxes are capped at 1% of gross assessed value for homesteads, 2% for other residential property (including rental housing and second homes) and farmland, and 3% for business land, buildings, and equipment. Taxpayers receive credits when their tax bills exceed the caps. Credits are revenue lost to local governments.

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**TAX CAP CREDITS INCREASED  
IN 2011**

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Total tax cap credit losses in Jackson County were \$630,276, or 1.8% of the levy. This was less than the state average loss rate of 9.2%, and less than the median value of 3.8% among all counties. Tax rates are the main determinant of tax cap credits, and Jackson County's tax rates were less than the state median.

More than three-quarters of the total tax cap credits were in the 2% nonhomestead/farmland category. The largest percentage losses were in the town of Medora, the Medora Community School Corporation, and Carr Township. The largest dollar losses were in the city of Seymour, the Seymour and Medora School Corporations, and the county unit.

Jackson County Tax Cap Credits	1%	2%	3%	Elderly	Total	% of Levy
2010 Tax Cap Credits	\$1,538	\$229,627	\$0	\$29,402	\$260,567	0.8%
2011 Tax Cap Credits	11,637	524,242	20,258	74,138	630,276	1.8%
<b>Change</b>	<b>\$10,099</b>	<b>\$294,615</b>	<b>\$20,258</b>	<b>\$44,737</b>	<b>\$369,709</b>	<b>1.0%</b>

Tax cap credits increased in Jackson County in 2011 by \$369,709, or 141%. The additional credits

represent an added loss of 1.0% of the total tax levy. Most of the increase in tax cap credits was in the 2% tax cap category. The elimination of the state homestead credit and the drop in local income tax revenue that funds local homestead credits added to the 1% tax cap credit increase. The tax rate in the Medora taxing district moved above \$3, which made some business property in the 3% category eligible for credits.

**The Effect of Recession**

The 2009 recession had an effect on Jackson County assessments for pay-2011. Property values and construction activity appear to have fallen in Jackson County in 2009. Lower incomes in 2009 resulted in lower local income tax distributions in 2011, which reduced the local homestead credit. Falling assessments meant the increases in levies required higher tax rates. Higher rates made more taxpayers eligible for tax cap credits, which reduced the added revenues from property taxes.

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**2009 RECESSION REDUCED  
ASSESSMENTS IN 2011**

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Property Type	Gross AV 2010	Gross AV 2011	Gross AV Change	Net AV 2010	Net AV 2011	Net AV Change
Homesteads	\$1,299,147,500	\$1,290,344,960	-0.7%	\$519,943,045	\$510,169,775	-1.9%
Other Residential	212,021,900	211,491,700	-0.3%	205,248,170	204,392,190	-0.4%
Ag Business/Land	270,934,300	269,460,840	-0.5%	267,890,914	266,534,693	-0.5%
Business Real/Personal	1,011,129,921	999,867,888	-1.1%	838,876,261	816,056,939	-2.7%
<b>Total</b>	<b>\$2,793,233,621</b>	<b>\$2,771,165,388</b>	<b>-0.8%</b>	<b>\$1,831,958,390</b>	<b>\$1,797,153,597</b>	<b>-1.9%</b>

Net AV equals Gross AV less deductions and exemptions • Tax rates are calculated on Net AV • Circuit breaker tax caps are calculated on Gross AV

### Jackson County Levy Comparison by Taxing Unit

Taxing Unit	2007	2008	2009	2010	2011	% Change			
						2007 - 2008	2008 - 2009	2009 - 2010	2010 - 2011
<b>County Total</b>	<b>46,476,233</b>	<b>45,731,302</b>	<b>30,591,726</b>	<b>32,356,017</b>	<b>33,939,267</b>	<b>-1.6%</b>	<b>-33.1%</b>	<b>5.8%</b>	<b>4.9%</b>
State Unit	51,789	51,987	0	0	0	0.4%	-100.0%		
Jackson County	7,664,732	7,720,123	6,582,287	6,487,331	6,805,063	0.7%	-14.7%	-1.4%	4.9%
Brownstown Township	75,413	75,722	78,455	80,572	35,555	0.4%	3.6%	2.7%	-55.9%
Carr Township	57,931	56,989	60,909	66,459	66,265	-1.6%	6.9%	9.1%	-0.3%
Driftwood Township	24,872	26,040	24,816	27,395	13,840	4.7%	-4.7%	10.4%	-49.5%
Grassy Fork Township	22,988	23,681	24,954	25,846	13,300	3.0%	5.4%	3.6%	-48.5%
Hamilton Township	54,192	54,244	50,928	48,245	19,267	0.1%	-6.1%	-5.3%	-60.1%
Jackson Township	106,120	108,459	115,297	119,497	123,098	2.2%	6.3%	3.6%	3.0%
Owen Township	30,895	25,450	31,598	26,931	17,552	-17.6%	24.2%	-14.8%	-34.8%
Pershing Township	22,464	17,909	17,371	18,598	18,898	-20.3%	-3.0%	7.1%	1.6%
Redding Township	17,011	17,478	18,444	18,992	20,145	2.7%	5.5%	3.0%	6.1%
Salt Creek Township	10,787	10,759	10,748	10,740	7,458	-0.3%	-0.1%	-0.1%	-30.6%
Vernon Township	67,032	62,489	63,708	62,249	62,002	-6.8%	2.0%	-2.3%	-0.4%
Washington Township	9,859	10,521	10,902	11,356	11,821	6.7%	3.6%	4.2%	4.1%
Seymour Civil City	7,509,805	7,452,693	7,499,642	7,886,894	8,401,470	-0.8%	0.6%	5.2%	6.5%
Brownstown Civil Town	535,458	457,003	437,627	590,816	596,031	-14.7%	-4.2%	35.0%	0.9%
Crothersville Civil Town	223,842	191,137	202,204	219,796	225,294	-14.6%	5.8%	8.7%	2.5%
Medora Civil Town	53,496	47,880	53,386	55,821	56,420	-10.5%	11.5%	4.6%	1.1%
Medora Community School Corp	771,913	837,261	504,520	444,421	697,067	8.5%	-39.7%	-11.9%	56.8%
Seymour Community School Corp	19,059,535	18,361,866	8,661,758	9,197,266	9,151,465	-3.7%	-52.8%	6.2%	-0.5%
Brownstown Central Community School Corp	5,970,092	6,157,220	3,140,671	3,739,019	3,481,815	3.1%	-49.0%	19.1%	-6.9%
Crothersville Community School Corp	2,499,390	2,373,483	1,266,672	1,454,603	1,656,862	-5.0%	-46.6%	14.8%	13.9%
Brownstown Public Library	250,438	235,667	261,924	271,161	298,117	-5.9%	11.1%	3.5%	9.9%
Jackson County Public Library	1,348,344	1,315,750	1,432,406	1,449,189	1,480,739	-2.4%	8.9%	1.2%	2.2%
Seymour Airport Authority	0	0	0	0	0				
Jackson County Solid Waste	0	0	0	0	0				
Pershing Fire Dist	37,835	39,491	40,499	42,820	45,357	4.4%	2.6%	5.7%	5.9%
Driftwood Township Fire Protection Dist	0	0	0	0	36,534				
Brownstown Township Fire Protection Dist	0	0	0	0	176,793				
Grassy Fork Township Fire Protection Dist	0	0	0	0	35,947				
Redding Township Fire Protection Dist	0	0	0	0	85,497				
Owen Salt Creek Fire Protection Dist	0	0	0	0	68,041				
Hamilton Township Fire Protection Dist	0	0	0	0	87,896				
Jackson Washington Fire Protection Dist	0	0	0	0	143,658				

### Jackson County 2011 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	Credit Rates						Net Tax Rate, Homesteads
			LOIT PTRC	COIT	CEDIT	CEDIT	LOIT	LOIT	
				Homestead	Homestead	Residential	Homestead	Residential	
36001	Brownstown Township	1.5790	--	--	4.4319%	--	--	--	1.5090
36002	Brownstown Town	2.3598	--	--	7.2918%	--	--	--	2.1877
36003	Carr Township	2.7542	--	--	3.1636%	--	--	--	2.6671
36004	Medora Town	3.4566	--	--	3.7447%	--	--	--	3.3272
36005	Driftwood Township	1.6234	--	--	1.4054%	--	--	--	1.6006
36006	Grassy Fork Township	1.6042	--	--	6.8296%	--	--	--	1.4946
36007	Hamilton Township	1.3102	--	--	19.5821%	--	--	--	1.0536
36008	Jackson Township	1.2967	--	--	5.8778%	--	--	--	1.2205
36009	Seymour City-Jackson Township	2.2139	--	--	48.5273%	--	--	--	1.1396
36010	Owen Township	1.6123	--	--	1.3069%	--	--	--	1.5912
36011	Pershing Township	1.6512	--	--	0.4616%	--	--	--	1.6436
36012	Redding Township	1.2875	--	--	2.1097%	--	--	--	1.2603
36013	Seymour City-Redding Township	2.2116	--	--	13.3587%	--	--	--	1.9162
36014	Salt Creek Township	1.6507	--	--	5.7014%	--	--	--	1.5566
36015	Vernon Township	1.9436	--	--	1.7368%	--	--	--	1.9098
36016	Crothersville Town	2.3313	--	--	20.0959%	--	--	--	1.8628
36017	Washington Township	1.3035	--	--	2.9381%	--	--	--	1.2652

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

### Jackson County 2011 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Total	Levy	Circuit Breaker as % of Levy
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly				
<i>Non-TIF Total</i>	11,637	524,155	20,258	74,138		630,188	33,939,267	1.9%
<i>TIF Total</i>	0	88	0	0		88	546,028	0.0%
<i>County Total</i>	11,637	524,242	20,258	74,138		630,276	34,485,295	1.8%
Jackson County	1,809	84,694	2,252	14,741		103,496	6,805,063	1.5%
Brownstown Township	57	554	0	93		704	35,555	2.0%
Carr Township	239	8,785	1,156	229		10,409	66,265	15.7%
Driftwood Township	0	0	0	38		38	13,840	0.3%
Grassy Fork Township	0	0	0	0		0	13,300	0.0%
Hamilton Township	0	0	0	37		37	19,267	0.2%
Jackson Township	1	1,588	0	308		1,896	123,098	1.5%
Owen Township	0	0	0	10		10	17,552	0.1%
Pershing Township	0	0	0	15		15	18,898	0.1%
Redding Township	0	148	0	35		183	20,145	0.9%
Salt Creek Township	0	0	0	4		4	7,458	0.0%
Vernon Township	16	709	0	124		849	62,002	1.4%
Washington Township	0	0	0	4		4	11,821	0.0%
Seymour Civil City	49	130,919	0	18,272		149,240	8,401,470	1.8%
Brownstown Civil Town	2,452	23,916	0	1,636		28,004	596,031	4.7%
Crothersville Civil Town	0	5,215	0	386		5,601	225,294	2.5%
Medora Civil Town	178	6,032	4,117	326		10,653	56,420	18.9%
Medora Community School Corp	2,519	92,408	12,158	2,406		109,491	697,067	15.7%
Seymour Community School Corp	36	95,527	0	20,469		116,031	9,151,465	1.3%
Brownstown Central Community School Corp	3,061	29,858	0	6,439		39,358	3,481,815	1.1%
Crothersville Community School Corp	431	18,942	0	3,323		22,695	1,656,862	1.4%
Brownstown Public Library	351	3,427	0	675		4,454	298,117	1.5%
Seymour Public Library	0	0	0	0		0	0	
Jackson County Contractual Library	0	0	0	0		0	0	
Jackson County Public Library	154	18,678	577	3,182		22,591	1,480,739	1.5%
Seymour Airport Authority	0	0	0	0		0	0	
Jackson County Solid Waste	0	0	0	0		0	0	
Pershing Fire Dist	0	0	0	37		37	45,357	0.1%
Carr Township Fire Terr	0	0	0	0		0	0	
Driftwood Township Fire Protection Dist	0	0	0	100		100	36,534	0.3%
Brownstown Township Fire Protection Dist	283	2,757	0	461		3,500	176,793	2.0%
Grassy Fork Township Fire Protection Dist	0	0	0	0		0	35,947	0.0%
Redding Township Fire Protection Dist	0	0	0	117		117	85,497	0.1%
Owen Salt Creek Fire Protection Dist	0	0	0	36		36	68,041	0.1%
Hamilton Township Fire Protection Dist	0	0	0	167		167	87,896	0.2%
Jackson Washington Fire Protection Dist	0	0	0	469		469	143,658	0.3%
TIF - Burkhart - Jackson	0	88	0	0		88	281,621	0.0%
TIF - Burkhart - Redding	0	0	0	0		0	264,407	0.0%

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

#### Circuit Breaker Credit Types:

*Homesteads* are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

*Other Residential/Farmland* includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

*All Other Real/Personal* is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

*Elderly* includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over.

The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.